

### **REMARKS**

Claims 1, 2, 10, 13, 21, 22, and 24-34 remain in the application. Claims 3-9, 11, 12, 14-20 and 23 have been cancelled.

First, claims 1-34 stand provisionally rejected under 35 USC 102(f) because the Examiner contends that WO 2004/028722 appears to disclose the same subject matter as the presently claimed subject matter but has a different entity. In response, Applicant submits the application has one common inventor, however, different subject matter and different claimed inventions. In the present application, the housing is forged from a steel rod and then machined into a primary housing perform with an annular rim. The rim is then machined to form the teeth. In WO 2004.028722, machining is avoided by cold forming the primary housing perform and then cold forming the teeth directly in the annular rim.

Second, claims 25-34 stand rejected under 35 USC 102(b) as being anticipated by U.S. Patent 6,061,907 to Victoria et al., as well as, JP 62-132055 to Tozawa. Additionally, claims 25-30 stand rejected under 35 USC 102(b) as being anticipated by JP 09-229162 to Yanagawa. The Examiner contends that each of the cited references disclose a differential housing assembly comprising a housing comprising a bell shaped body extending between a cylindrical first end and an opposing annular second end having a ring gear integrally formed thereon.

In response, Applicant has amended independent claim 25 to further set forth that the entire housing is integrally formed from a single steel rod. That is, the housing and ring gear are not integrally formed by joining, welding, fastening, or the like, but rather the entire housing, including the ring gear, is entirely and integrally formed together as one piece from a single steel rod.

Finally, claims 1-24 stand rejected under 35 USC 103(a) as being unpatentable over JP 62-132005 to Tozawa in view of JP 64-018545 to Honda, and JP 02-133141 to Seiki, and/or U.S. Patent 6,351,886 to Hasegawa. The Examiner confusingly contends that Tozawa discloses a differential housing assembly according to the structure as claimed in claim 25 and then states that the reference does not disclose the particulars of the forging processed to form the housing having an integral gear. Claim 1 of the present invention is completely independent from claim 25 and clearly sets forth a method of making a differential housing assembly. As the Examiner

admits, Tozawa does not disclose any type of method of making or forming the housing, therefore, it clearly cannot be considered relevant prior art.

The Examiner then states that Honda, Seiki, and Hasegawa disclose a method of forging a gear device in which the outer gear section is integrally molded with the inner body section by forging. In response, Applicant has also amended the method of independent claim 1 to further set forth the step of machining the primary housing perform to form a first external journal surface and an internal spherical surface; machining a plurality of teeth in the annular rim defining the ring gear; and heat treating and finish machining the primary housing perform to final dimensions. That is, the housing of the present invention is formed by the method of first forging a conical frustum from a steel rod, forming the frustum into a primary housing preform having an annular rim, and then machining the inner and outer surfaces of the housing and teeth of the ring gear.

The cited prior art only disclose forging processes to form the housing with an integral gear. None of the prior art taken alone, or in combination, disclose or suggest forging a steel rod into a conical frustum, then forming a primary housing, and then machining the inner and outer surfaces and the teeth of the integrally formed ring gear.

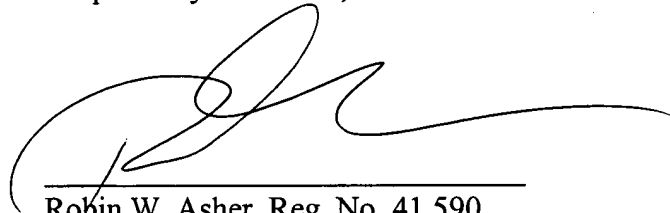
Therefore, amended independent claims 1 and 25 clearly distinguish Applicant's invention over the cited prior art and the rejections should be withdrawn.

Accordingly, it is believed that the application is in condition for allowance and Applicant respectfully requests that the rejection be withdrawn and a timely Notice of Allowance be issued in this case.

Appl'n No: 10/726,159  
Amdt dated June 19, 2006  
Reply to Office action dated January 18, 2006

Should the Examiner have any questions regarding the response to this Office Action, the Examiner is invited to contact the undersigned attorney for the applicant.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Robin W. Asher', written over a horizontal line.

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